

m/035/002

Kennecott Utah Copper Corporation
12000 West 2100 South
P.O. Box 6001
Magna, Utah 84044-6001
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Kennecott

Paula H. Doughty
Manager, Environmental Affairs and
Strategic Resources

July 22, 2003

Mr. Wayne Hedberg
Minerals Reclamation Program
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

RECEIVED

JUL 25 2003

DIV. OF OIL, GAS & MINING

Dear Mr. Hedberg:

RE: Completion of Condition Number Three from: Conditional Approval of "Interim" Plans for Final Reclamation of the Bingham Canyon Mine, entitled: "Reclamation and Water Management Plan, Kennecott Utah Copper Corporation, Bingham Canyon Mine," M/035/002, Salt Lake County, Utah

As requested by the Division of Oil, Gas and Mining in correspondence dated June 11, 2003, on behalf of Kennecott Utah Copper Corporation (Kennecott), enclosed is documentation providing clarification of the ownership hierarchy for Kennecott. The documentation includes a corporate organization chart and a narrative explanation of the corporate organization structure in relation to the chart.

With the submittal of this documentation, Kennecott assumes that it has fulfilled approval condition number 3 has outlined in the June 11, 2003, letter regarding the "Conditional Approval of Interim Plans for Final Reclamation of the Bingham Canyon Mine, entitled; Reclamation and Water Management Plan, Kennecott Utah Copper Corporation, Bingham Canyon Mine, M/035/002, Salt Lake County, Utah."

Per the terms of approval conditions 1,2 and 4, Kennecott will provide future updates of the closure and reclamation plan to the Division as appropriate.

If you have any questions or comments regarding this letter or the enclosed documentation, please contact Paula Doughty at 567-7120.

Sincerely,



Marcelle Shoop, Manager Environmental and
Sustainable Development Policies and Systems,
On behalf of Paula Doughty, Mgr., Env'tl. Services

Enclosure
cc: Paula Doughty

0017

RESPONSE TO ITEM 3 OF THE CONDITIONAL APPROVAL OF "INTERIM"
PLANS FOR FINAL RECLAMATION OF THE BINGHAM CANYON MINE,
ENTITLED: "RECLAMATION & WATER MANAGEMENT PLAN, KENNECOTT
UTAH COPPER CORPORATION, BINGHAM CANYON MINE," M/035/002, SALT
LAKE COUNTY, UTAH

Kennecott Utah Copper Corporation – Corporate Organization Structure
July 2003

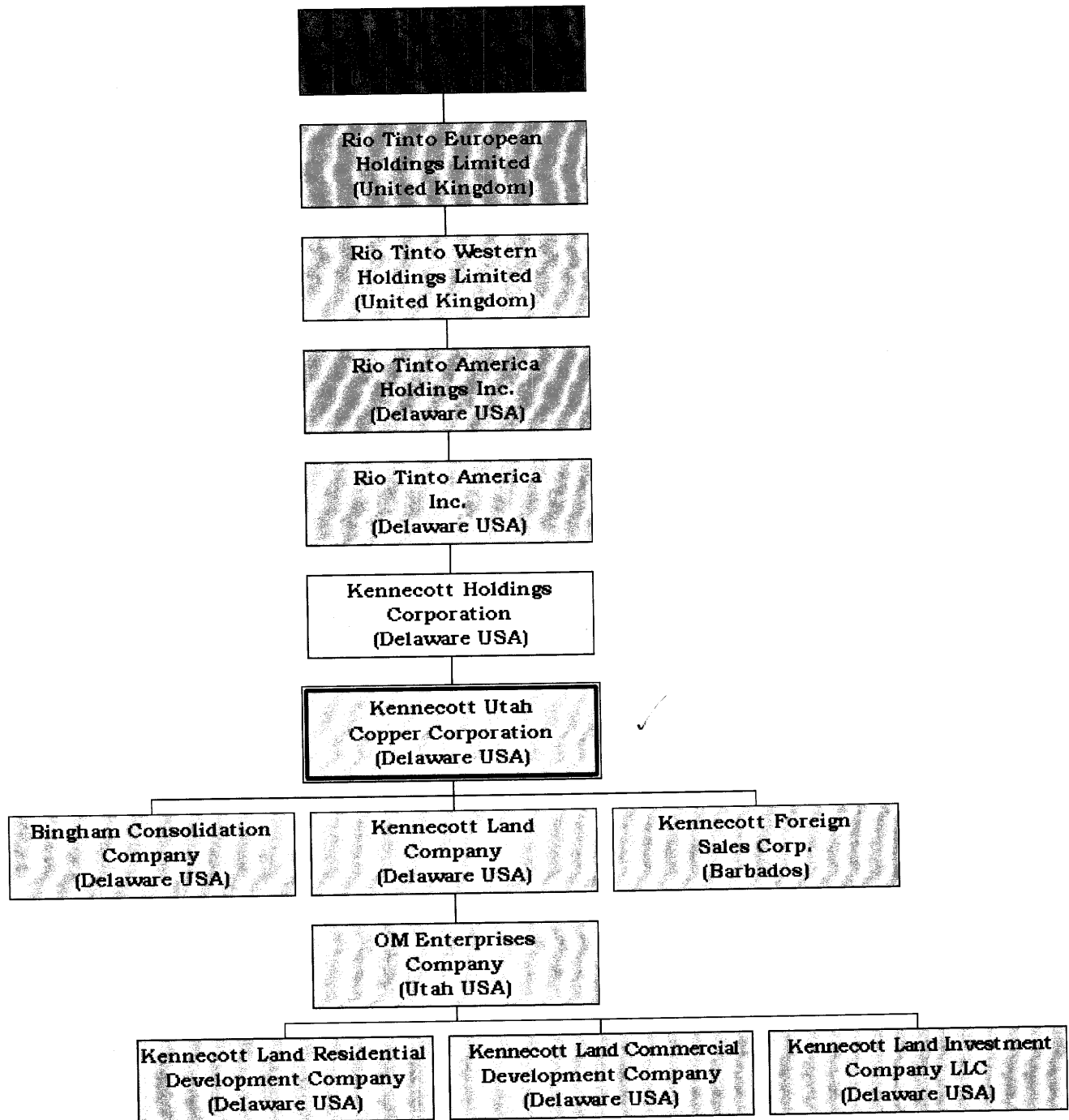
Kennecott Utah Copper Corporation ("KUCC"), which, through its Bingham Canyon Mine and related operations, supplies more than ten percent of annual US refined copper requirements, is a principal US operating subsidiary of Rio Tinto plc, a United Kingdom company headquartered in London ("Rio Tinto"). The stock of KUCC is held directly by Kennecott Holdings Corporation, a Delaware corporation, which is, in turn, owned directly by Rio Tinto America Inc., a Delaware corporation that serves as the Consolidated Parent of Rio Tinto's US subsidiaries. Three interim holding companies (one a Delaware corporation and two United Kingdom companies) fit into KUCC's upstream corporate structure between Rio Tinto America Inc. and Rio Tinto.

In addition to its copper operations, KUCC is the owner of a significant portion of the undeveloped land in the Salt Lake Valley. In 2001, Kennecott Land Company ("Kennecott Land"), a wholly owned subsidiary of KUCC, was formed to manage certain of KUCC's non-mining lands and coordinate the development of certain of KUCC's undeveloped lands. The first such development, "Daybreak" is a new community within the City of South Jordan, which upon completion is expected to provide housing, workplaces, shopping, schools, hospitals, churches and parks for 30,000 people. As a part of this management arrangement with Kennecott Land, KUCC has transferred a portion of its undeveloped land to OM Enterprises Company ("OM Enterprises"), a wholly owned subsidiary of Kennecott Land. OM Enterprises, in turn, has formed two wholly owned subsidiaries, Kennecott Land Commercial Development Company and Kennecott Land Residential Development Company, for the purpose of receiving various parcels of land as they become available for development. A third subsidiary of OM Enterprises, Kennecott Land Investment Company LLC, has been established for future transfer of certain parcels of KUCC's non-mining land that are not slated for development in the foreseeable future.

In addition to KUCC's direct and indirect subsidiaries referenced above, KUCC is the parent of Bingham Consolidation Company, a Delaware corporation, which owns land and mining claims in the vicinity of the Bingham Canyon Mine, and Kennecott Foreign Sales Corp., a Barbados corporation, which engages in foreign sales transactions on behalf of KUCC.

A corporate organizational flowchart visually depicting the relationships between KUCC, its upstream shareholders and its direct and indirect subsidiaries is attached for your reference.

Corporate Organization of Kennecott Utah Copper Corporation, its Upstream Shareholders and its Subsidiaries



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ENTITLED: "RECLAMATION & WATER MANAGEMENT PLAN, KENNECOTT
UTAH COPPER CORPORATION, BINGHAM CANYON MINE," M/035/002, SALT
LAKE COUNTY, UTAH

Kennecott Utah Copper Corporation – Corporate Organization Structure
July 2003

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